

## House Republican Press Release

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### **Rep. Bacchiochi: 52nd District Towns Benefit from 2006 – 2007 Budget**



The \$16 billion state budget approved by the state House of Representatives Sunday includes increases in annual grants for Somers, Stafford and Union and additional grants to help the towns defray their special education costs, state Representative Penny Bacchiochi said today.

“Annual state grants for all three towns are up from the 2005 – 2006 fiscal year,” said Representative Bacchiochi, R-52<sup>nd</sup> District, who voted for the budget. Annual state grants include state aid to local school districts and funding to help towns pay for local road maintenance.

Total annual state grants for Somers amount to \$8,493,765 for the 2006 – 2007 fiscal year, for an increase of \$43,743 over the 2005 – 2006 total of \$8,450,022. Somers will receive an additional grant of \$117,918 to help defray its special education costs. Stafford’s total annual state grants for 2006 – 2007 amount to \$10,108,002, for an increase of \$191,188 over its 2005 – 2006 total of \$9,916,814. Stafford also will receive an additional grant of \$113,962 to help the town defray its special education expenses. Union’s total annual state grants for the 2006 – 2007 fiscal year amount to \$378,593, for an increase of \$9,629 over the town’s 2005 – 2006 total of \$368,964, Representative Bacchiochi said.

“Property taxpayers in Somers, Stafford and Union also will receive some welcome tax relief. The budget increases the property tax credit property owners can take to reduce their state income tax liability from \$350 for the 2005 tax year to \$500 for the 2006 tax year,” Representative Bacchiochi said. “It also eliminates the 15 percent corporate tax surcharge for the 2007 income year, which will be a significant saving for employers, leaving them with more money to invest in expansion projects and to hire new workers.”

“The budget cuts about \$100 million from the package approved recently by the Appropriations Committee. It exceeds the governor’s original proposal by only \$16 million and it stays below the state’s constitutional spending cap,” Representative Bacchiochi said.

“The budget also makes wise use of the projected state surplus of almost \$700 million,” Representative Bacchiochi said. “About \$190 million from the surplus is contributed to the Rainy Day Fund, bringing the total available for use in emergencies to about \$800 million. In addition, the budget takes \$246 million from the surplus and puts it in the under-funded teachers’ retirement fund.”

“Although I had hoped the state House would adopt an amendment I supported that would have increased revenue sharing grants to rural communities like Somers, Stafford,

and Union, I was generally pleased with the direction this budget will take the state during the next fiscal year,” Representative Bacchioni said. “I believe it will help homeowners in the 52<sup>nd</sup> District, as well as stimulate economic growth and create jobs.”